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NOTE BY THE SECRETARY-GENERAL

1. The Secretary-General has the honour to transmit to the Security Council a report submitted by the Executive Chairman of the Special Commission, established by the Secretary-General pursuant to paragraph 9 (b) (i) of Security Council resolution 687 (1991).

2. The present report is the third report by the Executive Chairman of the Special Commission following the adoption of Security Council resolution 1051 (1996) of 27 March 1996, in which, in paragraph 16, the Council called for the consolidation of the reports required under the Council's resolutions 699 (1991) of 17 June 1991 and 715 (1991) of 11 October 1991.[1] The report covers the period from 11 October 1996 to 11 April 1997.

Notes

[1] The Commission's 20 previous reports are: S/23165, S/23268, S/23801, S/24108 and Corr.1, S/24661, S/24984, S/25620, S/25977, S/26684, S/26910, S/1994/489, S/1994/750, S/1994/1138 and Corr.1, S/1994/1422 and Add.1, S/1995/284, S/1995/494, S/1995/864, S/1995/1038, S/1996/258 and S/1996/848.

Annex

Report of the Secretary-General on the activities of the Special Commission established by the Secretary-General pursuant to paragraph 9 (b) (i) of resolution 687 (1991)

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I. INTRODUCTION

1. The present report is the third report by the Special Commission following the adoption of resolution 1051 (1996) of 27 March 1996. It is a consolidated report addressing all aspects of the Commission's work, under resolutions 687 (1991) of 3 April 1991, 707 (1991) of 15 August 1991, 715 (1991) of 11 October 1991, 1051 (1996) of 27 March 1996 and 1060 (1996) of 12 June 1996.

2. The report covers the period from 11 October 1996 to 11 April 1997. During the period, the Executive Chairman briefed the Council in the months of October and December 1996 and March 1997 on developments in the Commission's work. In addition, the Chairman has held numerous meetings with groups of Council members and individual members.

3. The Commission has continued with the implementation of the mandate laid down in paragraphs 8, 9 and 10 of section C of resolution 687 (1991) and subsequent relevant resolutions of the Council. That mandate has two specific parts: first to identify and dispose of Iraq's weapons of mass destruction in the chemical and biological areas, its long-range missiles and related capabilities in all proscribed areas; and, secondly, to create and operate a system of ongoing monitoring of Iraq's compliance with its obligation not to acquire proscribed weapons and capabilities. Furthermore, the Commission continues to be responsible for designating locations not declared by Iraq for inspection by the International Atomic Energy Agency (IAEA) in the nuclear field, in providing support to IAEA inspections in Iraq and certain other services called for by the relevant resolutions.

II. DEVELOPMENTS

4. After its acceptance of Security Council resolution 687 (1991) in April 1991, the Government of Iraq initiated a policy of systematic concealment, denial and masking of the most important aspects of its proscribed weapons and related capabilities. In the face of this challenge, the Commission has had to field innovative and creative inspections, planned, organized and executed in a manner capable of defeating Iraqi countermeasures. The inspection activities and the integrated analytical work, supported by advanced techniques and applied science, have since 1991 led to the uncovering of the full dimensions of Iraq's complex programmes for weapons of mass destruction. During the last two years only, the inspections have led to the unmasking of: a complete biological weapons development and production programme; highly sophisticated and advanced work on the extremely lethal chemical warfare nerve agent VX; and the multifaceted domestic development and production of Scud-type missile engines under Iraq's project 1728. Large quantities of chemical weapons and equipment, as well as long-range missiles and related precision machines, have been destroyed under the Commission's supervision in the implementation of resolution 687 (1991). As late as 1996, after the detection of the secret biological weapons programme, the sprawling research, development and production facility for biological weapons at Al Hakam was demolished.

5. These accomplishments demonstrate that international weapons inspections under the auspices of the United Nations, if applied with first-rate expertise and modern technology, can achieve effective results.

6. The Commission is continuing its work as it cannot state that Iraq has accounted for all weapons, components and capabilities proscribed under section C of resolution 687 (1991). In most cases when confronted by the Commission, Iraq admits the acquisition of such items through import or production. However, Iraq maintains that it itself has destroyed many of them, mostly in 1991 and 1992, in undeclared and secret campaigns. These have been conducted in contravention of resolution 687 (1991), in which the Council calls for all such destruction to be carried out under international supervision by the Commission. In addition, Iraq's policy of concealment, described in detail in the Commission's report of 11 October 1996 (S/1996/848), was aimed at deceiving the inspectors and at retaining limited but significant proscribed capabilities.

7. Since spring 1996, the Commission has carried out a series of unprecedented inspections aimed at detecting the concealment mechanism and getting access to proscribed weapons, components, production tools and related documents that might still remain in Iraq. All these activities are in conformity with the joint programme of action agreed upon on 22 June 1996 between the Executive Chairman and the Deputy Prime Minister of Iraq, where unilateral undeclared destruction, the provision of documents and the concealment measures, as well as the attainment of a material balance in each weapons area, were defined as priority tasks.

8. Security Council resolutions 687 and 707 (1991) require Iraq to provide declarations containing its full, final and complete disclosures of its proscribed chemical, biological and missile programmes, and the Commission then to verify them. However, the inadequacies, incompleteness and lack of evidentiary documentation in many areas of Iraq's various declarations over the years have not allowed for credible verification by the Commission. This has constituted one of the main reasons for the delay in clearing up matters related to Iraq's programmes for weapons of mass destruction and long-range missiles, thus preventing the Commission from reporting to the Security Council under paragraph 22 of resolution 687 (1991) that, in its view, Iraq has completed all actions contemplated in section C of that resolution. In an effort to expedite the verification process, and to assist Iraq in identifying where further action on its part is required, an innovative process was agreed upon by the Deputy Prime Minister and the Executive Chairman, by which the Commission presents to Iraq, at the political level, its detailed findings and assessment of the outstanding problems. This process started in the December 1996 meeting at Baghdad between the Deputy Prime Minister and the Chairman, during which missile issues were addressed. It was followed by similar discussions in the chemical weapons area in February and April 1997, and in the biological weapons area in April 1997. Seminar-type meetings, associated with this process, were held at the technical level, with the participation of Iraqi experts and teams of international experts from the Commission.

9. This process requires both a detailed and systematic presentation on the part of the Commission, and a similar and verifiable response by Iraq. The

Commission believes that it has led to a much clearer understanding, at the level of Iraq's political leadership, of what the problems are and what Iraq is required to do to endeavour to resolve them. The Commission's hope was that by creating this direct link between the political and technical levels, the lack of progress on essential technical issues may be overcome. In essence, the goal is to force Iraq's political statements of full cooperation into becoming a reality at the technical level. Tangible results have already been achieved in the missile and chemical areas. Because of particular deficiencies in the biological weapons declaration, addressed in detail later in this report, it has not yet been possible to apply the process in full to this area. However, Iraq has recently accepted the Commission's proposal to work jointly at the expert level to prepare a new declaration in the biological area. It should be accompanied by the relevant documentation necessary for its credible verification. The Commission is using all its resources and efforts to expedite the verification process, achieve material balances and clarify the outstanding issues with the aim of being able to report to the Council under paragraph 22 of resolution 687 (1991). The results achieved so far during the last six months indicate that the new process constitutes a fruitful approach, which should expedite matters, if Iraq is fully cooperative and transparent in its response to the Commission's initiatives and concerns.

A. Relations with Iraq

10. The provisions of the joint statement of 22 June 1996, and the joint programme of action of the same date, call for a bimonthly political level meeting between Iraq and the Commission at Baghdad to review progress and direct further effort. The first of these meetings in the period under review took place from 19 to 21 October 1996. The Chairman's visit followed on his briefing of the Council on the Commission's six-monthly report that had been submitted on 11 October (S/1996/848).

11. The Chairman held plenary meetings with Mr. Tariq Aziz, the Deputy Prime Minister, and a large Iraqi delegation. In the main, the meetings focused on discussion of the Commission's October report. The Commission's side explained the reasons for its continuing concerns over various aspects of its mandate which had not been completed and pointed out that, on the basis of information provided by Iraq, it could not yet determine that all proscribed weapons, components and materials had been disposed of as Iraq had claimed. With this in mind, the Chairman continued to press the Iraqi side to provide more information, particularly documentation, to support its declarations required under resolutions 687, 707 and 715 (1991) and presented to the Commission in June and July 1996. However, the Iraqi side did little to deal with the outstanding concerns but instead dwelt on areas where it considered that the Commission's characterization of the situation in its October report had been overly negative. No progress was made on issues of substance. The Deputy Prime Minister acknowledged that more work was needed and that the degree of cooperation reached at the political level had to be translated into concrete results at the technical and operational levels.

12. As a result of agreement during the Chairman's visit to Baghdad during October 1996, the Deputy Executive Chairman paid a visit to Baghdad in November

to discuss the ongoing monitoring and verification system and ways in which its functioning could be improved. The Commission's team presented general points of principle as well as specific areas of growing concern regarding Iraq's cooperation in the monitoring operations. The Iraqi side outlined areas in which it had specific requests of the Commission. Iraq gave some commitments to improve its ongoing monitoring and verification declarations. The Commission is seeking to simplify the formats for the declarations.

13. The Chairman's next bimonthly visit to Baghdad took place from 8 to 11 December 1996. He made a presentation that included details of what the Commission knew of the disposition of prohibited missiles and pointed to the fact that the missiles that Iraq had acknowledged importing had not all been accounted for by Iraq. The Commission's experts demonstrated that none of the variety of analyses of information provided by Iraq produced a zero material balance of the proscribed missiles known to have existed at the end of the Gulf War. Furthermore, there were many other outstanding issues, including the rationale for the programme of secret destruction by Iraq and its recently admitted diversion of missiles, components and production tools, even during this destruction. In his response, the Deputy Prime Minister acknowledged that there were some issues where Iraq could do more to support its declaration that all proscribed missiles had been destroyed and undertook that it would further address the Commission's concerns.

14. The Chairman made it clear to the Iraqi side that its refusal to permit the removal from Iraq of missile remnants for analysis by the Commission (described in paras. 41-44) was a violation of the Commission's rights and a serious impediment in accounting for the proscribed missiles. However, Iraq continued to block the removal of the remnants. On 17 December, the Chairman wrote to the Deputy Prime Minister setting out his assessment of the meetings and again called on Iraq, in keeping with its obligations, to release the missile remnants. This letter was distributed to the members of the Council.

15. The Chairman next visited Baghdad from 20 to 23 February 1997. In addition to the remaining missile issues, the two sides began addressing the outstanding issues in the chemical weapons area. The Chairman explained the basis for the Commission's concerns that Iraq had still not provided a full and correct account of its chemical weapons programme. He, inter alia, addressed the production of the nerve agent VX, missing documents, unaccounted-for warheads, bombs and munitions and undeclared chemical weapons production equipment. The Deputy Prime Minister undertook to address the Commission's concerns, in part through the provision of written answers. It was agreed that a follow-up expert-level meeting would be held in March.

16. During the February meetings, Iraq provided further clarifications on the outstanding missile issues. There was some progress on the basic accounting, mainly cross-checking serial numbers and other data to ensure that both sides were working from the same premise. However, not much emerged on important problems such as concealment of missiles after the war and their unilateral destruction. A further issue addressed by the Chairman was Iraq's continuing refusal to let the Commission remove the remnants of destroyed missiles as called for in the statement by the President of the Security Council of 30 December 1996 (S/PRST/1996/49). The Deputy Prime Minister sought to have

Iraqi personnel involved in the Commission's investigation and analysis of the remnants. The Chairman ruled that out. Ultimately, Iraq agreed to the removal of the remnants for out-of-country analysis. At the end of the meetings, on 23 February 1997, the two sides agreed on a joint statement (S/1997/152) describing the arrangements for the removal, the main results of the visit and the plans for the immediate future.

17. On 2 March 1997, the Chairman held a meeting in New York with Mr. Mohammed Saeed Al-Sahaf, Iraq's Minister for Foreign Affairs. The two sides agreed that a relationship based on cooperation was the best way for resolving outstanding issues. The Chairman raised some problems that the Commission had recently encountered in conducting its monitoring operations in Iraq, as described in paragraphs 26-29.

18. On 3 April 1997, during the next bimonthly meeting at Baghdad, the Chairman gave an update on the Commission's analysis of the removed missile remnants. The work on the items considered to be a priority had already begun. However, the programme would require several weeks or months before it was completed.

19. In the chemical area, progress was made on how to handle certain of the problem areas; principally Iraq's remaining potential in the chemical weapons area and the availability of proscribed weapons. The Deputy Prime Minister stated that Iraq did not conceal chemical weapons of any kind nor precursors for such weapons. He acknowledged that Iraq had carried out destruction without the mandatory prior notification to the Commission and that this destruction had to be accounted for. He argued that the lack of an explanation for such activities and supporting documents should not be used by the Commission as the basis for suspicions that Iraq was still concealing prohibited items. The Chairman outlined actions that the Commission would take in the coming two months in an effort to expedite verification of outstanding issues. The Deputy Prime Minister made an appeal for the chemical weapons file to be closed by early June 1997. The Chairman made it clear that the issues that he had identified had to be addressed thoroughly and stressed the need for Iraq's account to be backed up with documentation that would substantiate the truth.

20. The Chairman restated the Commission's contention that more documents concerning Iraq's proscribed weapons programmes still existed in Iraq in all areas. Those received so far came, in the main, from Iraq's field facilities. More documentation should be available from the central Government organs such as the Military Industrialization Corporation, the Ministry of Defence and the Office of the Presidency. He made a formal request for the documentation, which would considerably help with the verification of Iraq's declarations. The Iraqi side undertook to search for more documents, stating that there was no policy to withhold information and that when documents were discovered they were given to the Commission.

21. The Chairman presented the status of the verification in the biological area. He made it clear that Iraq's declaration, presented to the Commission in June 1996, did not provide a basis for proper verification as it contained many gaps and inconsistencies. He asked that the Iraqi side reconsider its position and provide the Commission with a new declaration that gave a full and accurate account of its biological weapons programme. He indicated that the Commission

would work actively with Iraq's experts to that end. At the meeting, Iraq stated that, in response to the Chairman's presentation, it would not present anything new but would reiterate the data in its June 1996 declaration. The Deputy Prime Minister stated that, while Iraq's account was accurate, he agreed that further work was needed in the biological weapons area. He made a formal statement that Iraq did not conceal any biological warfare agents or any materials that could be used as a biological weapon. Subsequently, in a letter dated 5 April 1997, the Deputy Prime Minister communicated Iraq's agreement to the Chairman's proposals regarding a new declaration in the biological area.

22. The two sides discussed problems that had arisen in the conduct of ongoing monitoring and verification (see paras. 26-29). The Chairman stressed the seriousness with which the Commission viewed Iraq's actions, which had included threats that had been made to the safety of the Commission's helicopter operations. The Commission had noticed efforts by Iraq to undercut the effectiveness of monitoring through a variety of tactics. The Chairman warned that Iraq's deteriorating performance called into question its commitment to the monitoring process and that if the trend were not reversed it could result in a situation with political consequences whereby monitoring could no longer be considered operational. The Deputy Prime Minister stated formally that Iraq had no objection to the basis of the monitoring process nor a philosophical disagreement with its aims. Iraq was committed to ongoing monitoring and verification and that would not change. It was the cornerstone of Iraq's policy to ask the Security Council to implement paragraph 22 of resolution 687 (1991). The Deputy Prime Minister said that Iraq's aim was to have the monitoring process proceed correctly to the full satisfaction of the Commission, IAEA and the Security Council. Lieutenant General Amer Rashid, the Minister of Oil, addressed issues relating to the practical aspects of monitoring activities and put forward some suggestions. That was done in a constructive spirit and was welcomed by the Chairman.

B. Ongoing monitoring and verification

23. The establishment and effective functioning of a system for ongoing monitoring and verification of Iraq's compliance with its obligations is a necessary condition if the Commission is to be able to report to the Council under paragraph 22 of resolution 687 (1991). The task facing the Commission requires it to monitor throughout Iraq sites and facilities with equipment capable of producing proscribed weapons as well as to watch for clandestine sites that may be created for proscribed activities. Thus, for the monitoring system to be effective, it must cast a broad net and cover major facilities such as petrochemical and biopesticide plants where chemical or biological warfare agents could be produced. However, such agents can also be clandestinely produced by Iraq in such facilities as breweries, brake fluid factories and even university microbiology laboratories containing permitted dual-use equipment. Therefore, those facilities must also be covered. The Commission now regularly monitors over 300 sites in Iraq.

24. Since April 1995, the Commission has had a system of ongoing monitoring in place in Iraq in all areas falling within its competence. The system comprises a variety of interlocking and overlapping processes involving on-site inspection

by resident teams, aerial inspections and a variety of remote sensing capabilities, including cameras and chemical detectors.

25. The effectiveness of the monitoring system is dependent on several factors. Among the more important are the completeness and accuracy of the declarations required from Iraq under the monitoring plans. The system is also based on the premise that the Commission has a clear understanding of the scope and history of Iraq's proscribed weapons programmes. Only then can the Commission have confidence that it is indeed monitoring all required locations and activities.

26. As noted in the Commission's previous report to the Council (S/1996/848), Iraq's behaviour and uneven compliance has had a negative effect on monitoring confidence. The last six months have seen a pattern of efforts on the part of Iraq to restrict the Commission's monitoring activities.

27. Iraq's monitoring declarations should be considerably improved. It appears that the problems in the compilation of the monitoring declarations rests not with the facilities providing the raw data, but with Iraq's National Monitoring Directorate, the governmental agency established as the interface for the Commission's work. The Commission has often discovered that facilities have provided accurate information to the National Monitoring Directorate but this information has then been manipulated so that the monitoring declarations presented to the Commission are misleading and inaccurate. Iraq has further failed to provide information about all sites and facilities where declarable equipment of a dual-use nature is located. During the period under review, the Commission's teams have inspected sites where several hundred pieces of dual-use equipment have not been declared.

28. One of the tasks of the National Monitoring Directorate is to provide minders who travel with the Commission's inspection teams to ensure that they are granted immediate and unconditional access to the sites under monitoring. The National Monitoring Directorate has sought to constrain the Commission's activities by restricting the times and days during which it would respond to requests for minders. When minders from the National Monitoring Directorate escort the Commission's inspectors, they have often interrupted interviews and instructed Iraqi site personnel to provide wrong information or to refuse to answer relevant questions.

29. Iraq has further sought to constrain monitoring activities by implementing a new policy whereby instructions have been issued to all sites and facilities that access be refused to the inspectors unless representatives of the National Monitoring Directorate are present. In another disturbing trend, Iraq has tried to enforce new procedures that seek to require prior approval from the National Monitoring Directorate for the provision of documents found by inspectors at sites. These violations of the Commission's rights have been protested by the Chairman in a series of letters to senior Iraqi officials and to the Deputy Prime Minister and were raised with him by the Chairman during his bimonthly meetings.

30. These are serious problems and the Commission will continue to work with Iraq to achieve the objectives of the monitoring system. However, long-term prospects for continued monitoring confidence depend on Iraq's commitment to

carrying out its responsibilities and obligations under the monitoring plan. Early attention on the part of Iraq to these failures and strict discipline in carrying out its obligations is needed now, and on a continuous basis. The Commission very much hopes that the commitments given by the Deputy Prime Minister during the Chairman's visit to Baghdad in April 1997 will be translated into action.

C. Aerial operations

31. During the period under review serious incidents have occurred in respect of the Commission's aerial operations. It will be recalled that the Commission has the right, under the Council's resolutions and related texts, to conduct both fixed-wing and helicopter flights throughout Iraq for all relevant purposes, including inspection, surveillance, aerial surveys, transportation and logistics without interference of any kind and upon such terms and conditions as may be determined by the Special Commission. These rights can only be changed by the Council. Iraq's violations have encompassed attempts to exclude significant areas from overflight and refusal to provide landing rights and refuelling, and threats to the safety and integrity of the aircraft and their crews. Iraq's actions have also included, on repeated occasions, threats to shoot down the Commission's aircraft if it did not follow the route Iraq wished it to fly. In other incidents, the Iraqi helicopter has flown dangerously close to the Commission's aircraft to force it to deviate from its planned route and Iraqi personnel on board the Commission's aircraft have attempted to wrest control of the aircraft.

32. The Chairman raised these issues during the meetings in Baghdad in February and later, on 14 March 1997, he wrote to the Deputy Prime Minister protesting Iraq's actions. On 16 March 1997, the Deputy Prime Minister responded to the Chairman's letter. He stated that Iraq had been cooperating with the Commission's operations and that the recent incidents should not be construed as an intentional pattern aimed at constraining the Commission's work. He informed the Commission that he had instructed the officials concerned to avoid any reoccurrence.

33. During the Chairman's April visit to Baghdad, the issues were again addressed. Both sides acknowledged that full account had to be taken of the Commission's rights and Iraq's legitimate defence concerns. The discussions were constructive and arrangements were arrived at to give practical effect to the above rights and concerns.

D. Export/import monitoring mechanism

34. The export/import monitoring mechanism, jointly operated by the Commission and IAEA, has now been fully operational for six months. During that period, Iraq and the Governments of suppliers have provided a number of notifications of the intended and actual export to Iraq of items identified in the annexes to the plans of the Commission and IAEA for ongoing monitoring and verification.

35. The introduction of the full export/import monitoring system, prior to the easing or lifting of sanctions, has been of great value in testing the system in practice, particularly in respect of operations inside Iraq. The infrastructure necessary to ensure the commercial confidentiality of information provided under the mechanism has been established.

36. The resident export/import monitoring group continues to undertake inspections in Iraq, frequently in conjunction with experts from other monitoring teams. In November 1996, a third export/import non-resident team, UNSCOM 165, undertook inspections at a number of sites to gain further information on import procedures.

E. National implementation measures

37. The plans for ongoing monitoring and verification require Iraq to enact into its national legislation a prohibition for all natural and legal persons under its jurisdiction or control from undertaking anywhere any activity that is prohibited for Iraq by resolutions 687 and 707 (1991), by other related Council resolutions or by the monitoring plans. Iraq must also enact penal legislation to be enforced against such individuals who violate that prohibition. These provisions are essentially similar in character to those accepted by the 70 or so States currently parties to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction.

38. In the period under review there has been no progress in obtaining from Iraq compliance with its obligations in this regard. Whenever it is raised with Iraqi representatives, it is said in response that these measures give rise to no problem on Iraq's part and that it will proceed to enact the necessary legislation. The enactment of the necessary legislation is clearly one of the steps that Iraq is required to take in terms of paragraph 22 of resolution 687 (1991) before the Commission can report to the Council under that paragraph.

F. Analysis of missile remnants

39. As part of efforts to clarify outstanding issues, the Commission decided to carry out in-depth laboratory analysis on remnants of proscribed missiles. The main objective of this mission was to obtain solid data on quantities of missiles disposed of, in particular through Iraq's secret destruction in 1991. A team (UNSCOM 158) was despatched to Iraq in early November 1996 to conduct the excavation and removal from Iraq of the missile remnants. In that context, arrangements had been made with a Government to support the Commission in its analytical activity at a specialized facility.

40. The UNSCOM 158 mission was scheduled to take place in advance of the mid-December 1996 meeting between the Deputy Prime Minister and the Chairman, during which it had earlier been agreed that there would be a particular focus on attempting to settle outstanding problems in the missile accounting. It was hoped that some of the major findings of the analysis would aid the December

meetings with final results to be incorporated in the Commission's report due in April 1997.

41. Excavation activities commenced at the site of the burial of the remnants on 6 November 1996. The team and Iraq's representatives recorded, both photographically and in video form, all items excavated. Preliminary on-site evaluation of the excavated material was carried out in a joint fashion by the Commission's experts and their Iraqi counterparts. By 14 November, approximately half of the remnants had been removed from the excavation site and had been transported to the Commission's Baghdad Monitoring and Verification Centre for preparation for removal from the country. At that time, Lt. General Amer Rashid contacted the Chief Inspector and suddenly stated that Iraq would not allow the Commission to remove the excavated items from the country.

42. On 15 November, the Chairman was contacted by Lt. General Amer Rashid. The Chairman told him that Iraq's actions were a clear violation of the terms of resolution 687 (1991). The Chairman noted that it was not technically feasible to conduct such laboratory work inside Iraq, as had been suggested by Iraq, owing to the lack of adequate technical facilities and capabilities in the country. He reiterated the Commission's intention to share with Iraq the results of the investigation of the items that the Commission planned to remove.

43. In a telephone conversation on 16 November, Lt. General Amer Rashid made it clear to the Chairman that the Iraqi side was not prepared to change its position and that the matter should await his next visit to Baghdad. The Chairman made it plain to him (and later in a letter that day to the Deputy Prime Minister) that any delays in settling the issue of missiles were purely of Iraq's own making.

44. During the December 1996 meetings in Baghdad, Iraq stuck to its position and refused to allow the removal of the remnants. On 18 December the Chairman briefed the Council on the continuing impasse. Later that month, on 30 December, the Council adopted a statement by its President (S/PRST/1996/49), which, inter alia, deplored the refusal by Iraq to allow the Commission to remove the remnants for analysis.

45. Despite the Statement by the Council's President, Iraq continued to refuse to allow the removal of the remnants. During his visit to Baghdad in February 1997, the Chairman drew attention to the statement. After the protracted discussions, Iraq agreed that the missile remnants could be removed. This took place in early March 1997. The remnants are now undergoing analysis under the supervision of the Commission's teams in laboratories in France and the United States of America.

III. CONCLUSIONS

46. The accumulated effect of the work that has been accomplished over six years since the ceasefire went into effect, between Iraq and the Coalition, is such that not much is unknown about Iraq's retained proscribed weapons capabilities.

47. However, what is still not accounted for cannot be neglected. Even a limited inventory of long-range missiles would be a source of deep concern if those missiles were fitted with warheads filled with the most deadly of chemical nerve agents, VX. If one single missile warhead were filled with the biological warfare agent, Anthrax, many millions of lethal doses could be spread in an attack on any city in the region. With that in mind, the Special Commission has undertaken extraordinary efforts to bring to a satisfactory conclusion the full accounting of Iraq's weapons of mass destruction and long-range missiles, in order to be able to make sure that all the proscribed items have been disposed of.

48. The present report describes the many activities carried out over the last six months to seek the full implementation of the mandate given to the Commission. It has been a period of intensive work. The priority issues set out in the joint programme of action of 22 June 1996 have been explored in full, with the difficult questions of secret destruction, provision of documents, concealment and material balance being in focus.

49. A fusion of technical expert work and the political dialogue on the level of the Deputy Prime Minister and the Executive Chairman has been tried. The purpose of turning their bimonthly meetings into a political/technical seminar, with the participation of the Commission's and Iraq's scientific and technical experts, has been to narrow the major outstanding issues to a manageable quantity. With regard to the missile and chemical weapons, the Commission has achieved this objective. More distant from clarity is the biological weapons area where Iraq's presentations are rather chaotic. To help to solve the deficiencies, an agreement was recently reached that both sides should work together in order to arrive at a well-structured declaration which could be a workable basis for the accomplishment of its verification.

50. During the period under review, Iraq has generally cooperated with visiting UNSCOM teams. A major exception has been Iraq's protracted refusal to permit the removal of missile remnants which the Commission, in the beginning of November 1996, had excavated for analysis abroad. This has meant a meaningless delay of four months and prevented a presentation on the issue to the Security Council in this report.

51. A prerequisite for the implementation of paragraph 22 of resolution 687 (1991) is that the Commission can report that the monitoring of Iraq's industrial, chemical and biological assets, to prevent the acquisition of proscribed weapons and related capabilities, is fully operational. While the system continues to function, certain actions by Iraq in seeking to impede and limit inspection activities and endanger aerial operations call into question Iraq's long-term intentions and constitute a challenge to the system as a whole.

52. The firm commitments made recently by the Deputy Prime Minister to maintain the monitoring system to the satisfaction of the Commission, IAEA and the Security Council, give rise to the hope that the deterioration will be reversed so that the system can again engender the required confidence to assure the international community that Iraq has not resumed prohibited weapons activities.

53. An important element in the acquisition by Iraq of the weapons of mass destruction has been the supplies and other support from abroad. Many Governments have gone to great lengths to give the Commission access to individuals, data and material having significance for the procurement efforts by Iraq. These contributions are helpful in accelerating the implementation of the Commission's mandate. A small number of Governments have chosen so far not to respond to the Commission's repeated and in some cases long-standing requests for information regarding procurement originating in their countries. Without such responses, the verification of certain parts of Iraq's proscribed programmes will be delayed. It would be most unfortunate, if for this reason, the Commission would not be able to report under paragraph 22 of resolution 687 (1991).

54. The assessment of Iraq's policy during the period under review must necessarily be somewhat contradictory. On the one side, Iraq has provided practically no new disclosures. On the other side, on the level of the Deputy Prime Minister, constructive efforts have been made to develop innovative procedures and methods to move forward, and to implement arrangements agreed upon between the two sides. A significant example in this regard is how recently inspectors working to map out Iraq's concealment activities were granted access for the inspection of sensitive sites, in accordance with the Commission's modalities.

55. A solid framework with tested procedures for effective work is in place. It is now time for Iraq to make full use of this and to provide the material and data to give substance to its stated commitment of full cooperation. The remaining problems are such that they cannot be solved through a technical process only. Their solution requires the major political decision by Iraq's leadership to give up, once and for all, all capabilities and ambition to retain or acquire the proscribed weapons. The Commission is well equipped in such an eventuality to act swiftly and effectively in carrying out its obligations. In the meantime, the Commission will continue its inspection activities exposing step-by-step the various elements of Iraq's weapons programmes.

Appendix I

Inspection activities and operational, administrative and other matters

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Inspection activities and operational, administrative and other matters

I. BIOLOGICAL ACTIVITIES

1. In June 1996, Iraq submitted what was stated to be its formal declaration containing its full, final and complete disclosure on the proscribed biological programme. The initial assessment of that document was provided in the Commission's October 1996 report (S/1996/848). Since then, five verification inspections, information obtained by the Commission and assessments by an international panel of experts have led the Commission to conclude that the June 1996 declaration fails to provide a complete and accurate account of the proscribed biological weapons programme.

2. Verification inspections were conducted in Iraq each month from October 1996 to March 1997. These inspections continued to uncover flaws in accounting for the biological weapons programme and evidence that Iraq is concealing significant aspects of that programme. The October inspection (UNSCOM 159) focused on field trials conducted by Iraq. Information from interviews, supported by documentation, indicates more field trials than have been acknowledged by Iraq. A disturbing incident, which occurred in October 1996, was an attempt during a break in an interview by a senior Iraqi official to convince the Iraqi expert being interviewed to change his statements.

3. In November 1996, an inspection team (UNSCOM 163) was unsuccessful in collecting samples of the biological warfare agents used in testing because of the apparent unwillingness of Iraq to identify the specific relevant locations. In December 1996, Iraq's declaration on the destruction of missile warheads which had been filled with biological agents, was the subject of verification. The Commission has clear evidence that such destruction did not take place at the location on the date declared by Iraq. Recent explanations provided by Iraq have not clarified the issue.

4. A mission in January 1997 (UNSCOM 169) attempted to verify declared production of bulk biological warfare agents. Inconsistencies in the declaration made such verification difficult. No documents have been provided to support Iraq's assertions that do not fit information otherwise known to the Commission. In several areas, essential personnel were not made available for interview. In the light of these problems, verification was impossible.

5. In February 1997, a team (UNSCOM 173) carried out excavation at one of the sites involved in the secret destruction. The excavation produced, amongst other remnants, three virtually intact bombs of the type Iraq declared as biological weapons. These bombs will be sampled by an expert team.

6. In February and March 1997, an inspection team (UNSCOM 174) attempted to establish the facts concerning Iraq's decision-making process aimed at concealing the biological weapons programme. As in January 1997, some key personnel, despite requests provided in advance, were not made available.

Attempts were made by some personnel interviewed to conceal the nature and scope of the relevant decisions taken.

7. In March 1997, the Commission convened an international panel of experts to review and assess the status of the declaration on the proscribed biological weapons programme. The experts concluded, inter alia, that Iraq had failed to report all imports of equipment and materials, in particular growth media. It had under-reported the production of bulk biological warfare agents. The stated production of aflatoxin could not have happened as declared. The declarations on destruction was not supported by sufficient evidence and it failed to provide a full accounting of procurement activities for the biological weapons programme.

8. During the April meetings in Baghdad, the Chairman made it clear that Iraq's June 1996 declaration did not provide a basis for proper verification activities. As mentioned in the main body of the report, Iraq agreed to the Chairman's proposal that a new declaration be prepared.

Monitoring activities

9. Eighty-six sites are currently under regular monitoring by the Commission's resident biological teams. In addition, the Commission sent specialized expert teams into Iraq to conduct inspections focusing on documents and equipment. Multi-disciplinary inspections were undertaken. Several pieces of significant undeclared equipment, spare parts and supplies were discovered during these inspections.

10. Iraq has still not declared all sites where dual-use biological equipment is present. The Commission's resident monitoring team continues to identify such sites that should have been declared by Iraq.

11. For several key biological sites, Iraq is required to provide, on a monthly basis, information on ongoing activities. On a number of occasions, Iraq did not provide the required information on changes which have been uncovered. Although the ongoing monitoring process started in April 1995, the monitoring team still finds discrepancies in what has been reported to the Commission.

II. CHEMICAL ACTIVITIES

12. During the period under review, the Commission's non-resident chemical teams have conducted four inspections. In December 1996, UNSCOM 170 conducted a sampling mission in Iraq in an effort to verify the secret destruction of chemical weapons-related compounds. Another team, UNSCOM 171, found significant amounts of empty dual-use munitions which Iraq had evaluated for use in its chemical weapons arsenal, but not declared to the Commission. Six such items have been removed to the Baghdad Monitoring and Verification Centre and will be transferred out of Iraq for further analysis.

13. The Commission's efforts to verify Iraq's declaration containing its full, final and complete disclosure in the chemical area, provided to the Commission in June 1996, have revealed that it contains inaccuracies and needs to be

completed in certain respects. After April 1991, Iraq retained parts of its chemical weapons capabilities, including equipment which it later declared to have been destroyed secretly or transferred for use in activities unrelated to proscribed purposes. However, the Commission has not been able to verify the secret destruction and has found that certain capabilities, contrary to Iraq's assertions, had actually been used in its chemical weapons programme.

14. With respect to the special warheads for proscribed missiles, both produced for chemical and biological weapons, Iraq has still not provided a credible account on quantities and types of warheads produced, the time-frame for their production and filling, and the alleged secret destruction. The Commission has evidence that Iraq has provided incorrect information in this respect. From the analysis of documents, obtained through inspections, the Commission has found that not all chemical bombs have yet been declared by Iraq. Thus, the accounting for chemical munitions remains unsolved.

15. The final disposition of the programme for the production of the highly lethal nerve agent VX remains unresolved. Iraq denied VX activities until 1995 when it was confronted by evidence presented by the Commission. Even following on its admission, Iraq still understates its achievements in the production of VX, asserting that it only carried out such VX activities on the laboratory/pilot plant scale. It claims to have secretly destroyed hundreds of tons of VX precursors in 1991. The Commission has evidence that Iraq obtained the technology and retains equipment for the large-scale production of VX.

16. Dual-use equipment which had been employed in the production of chemical weapons and analytical equipment to ensure the quality control of chemical warfare agents produced, is another area of concern. Several pieces of such equipment still remain in Iraq.

17. Iraq has admitted that, during the summer of 1988, a major decision to improve its chemical weapons capabilities was taken at the highest level. In the absence of some essential documentation, the Commission does not have a comprehensive understanding of the extent and aims of the chemical weapons programme in its later phase. This affects the monitoring regime.

18. Iraq has not disclosed "know-how" documentation, such as chemical weapons production manuals, and commercial contracts for Iraq's chemical weapons programme. The Commission can only conclude that they are being retained in order to resume proscribed production.

19. The Chairman brought the above concerns to the attention of the Deputy Prime Minister at the meeting in February 1997. During the discussions, the Deputy Prime Minister acknowledged that Iraq needed to address the Commission's concerns and promised to clarify some of the problems. Subsequently, Iraq provided some written clarifications. At the end of March 1997, a team of international chemical experts held technical talks with the Iraqi side, in preparation for the visit of the Chairman to Baghdad in April. The Chairman and the Deputy Prime Minister discussed the results of the technical level meeting. The Chairman underlined the importance of resolving the limited number of outstanding issues and urged Iraq to provide the necessary clarifications together with verifiable evidence. Iraq undertook to respond.

Monitoring activities

20. Since its establishment in October 1994, the resident chemical monitoring group has conducted over 550 inspections. Some 150 facilities in Iraq are being regularly inspected. The current multinational group consists of 11 inspectors and laboratory technicians with backgrounds in analytical chemistry, process chemistry, explosive ordnance disposal, and chemical weapons production.

21. The Commission recently deployed an Open-path Fourier Transform Infrared Spectrometer air monitoring system to collect infrared spectral signatures at a number of industrial facilities and chemical storage sites. This remote-sensing technology will assist the Commission by adding to its baseline monitoring information as well as to the historical database of emission activities.

22. On 16 January 1997, Iraq provided its semi-annual chemical declaration required under the plan for ongoing monitoring and verification. Some improvement has been noted by comparison with the previous declaration but it still does not meet the established requirements in full.

23. The Commission's monitoring teams have discovered some 200 key pieces of undeclared dual-use equipment, such as heat exchangers, glass reactor vessels and distillation columns capable of use in proscribed chemical weapons activities. Also about 800 pieces of related equipment have been located. These discoveries point to the fact that Iraq is not meeting in full its requirements with respect to reporting on its holdings of dual-use equipment.

III. MISSILE ACTIVITIES

24. During the reporting period, the Commission has continued its efforts to verify Iraq's declaration containing its full, final and complete disclosure in the missile area submitted in July 1996. Key outstanding issues were discussed at two rounds of political level talks held between the Deputy Prime Minister and the Chairman. During the December round, the Commission presented in great detail its concerns which focused on the accounting of Iraq's proscribed operational missile assets. As a result of the Commission's investigations, it had become apparent that Iraq had not presented sufficient evidence to account for the destruction of all proscribed missiles. Iraq's declarations on the secret destruction were inconsistent with facts established by the Commission. In an attempt to mislead the Commission, Iraq had tried to falsify evidence of this destruction. The Commission's investigations have also revealed a number of other areas requiring additional explanation and clarification. The Chairman stressed the Commission's concerns on Iraq's decision to conduct the secret destruction of the proscribed operational missiles assets in 1991 in violation of resolution 687 (1991). In particular, these concerns related to the political decisions taken to carry out such destruction, dissemination of follow-up orders and the actual implementation of these orders. In a letter of 4 November 1996, the Chairman requested Iraq to provide specific documentation related to the secret destruction in order to speed up effective verification. So far no response has been received from Iraq.

25. The arguments put forward by Iraq at the December meetings, which were aimed at proving that it had already accounted for all proscribed operational missile assets, were not satisfactory. The Deputy Prime Minister acknowledged that further work needed to be done by Iraq and suggested that the issue be discussed again during the next round of political level talks in February 1997.

26. During the February talks, Iraq presented its explanations which enabled further progress in the accounting for proscribed missiles. Iraq offered new clarifications on the numbers of missiles and missile launchers that had been secretly destroyed in 1991 as well as on the procedures and methods used. After the February round, in response to the Commission's request, Iraq presented new explanations on the material balance in such areas as missile fuels and missile guidance systems. These will be the subject of further verification. The Commission still awaits a report on the sites of the secret destruction and the provision of documentation in response to its specific requests.

27. In order to obtain solid data on the destroyed missiles, the Commission decided to excavate the remnants for technical analysis. After a prolonged delay described in the main body of the present report, on 23 February 1997, Iraq finally agreed to the removal of the remnants. The Commission then convened a seminar of international experts from 17 to 21 March 1997. The seminar was attended by representatives of national laboratories that offered to perform technical analysis, as well as experts who form the Commission's supervisory teams at these laboratories. The seminar participants conducted an examination of every engine to determine specific taskings for each laboratory. The seminar worked out procedures for speedy and effective analysis of the missile remnants and established practical modalities for the Commission's supervision of this work. The analytical work started in the United States and French laboratories, on 24 March and 7 April 1997, respectively. The Commission believes that this technical analysis will provide valuable data for verification of methods and procedures for the secret destruction, shed light on Iraq's efforts to produce missile engines and their components, and thus help to resolve the issues related to the counting of missiles.

28. Separately, the excavation of missile remnants was resumed in January 1997, under the supervision of a new team (UNSCOM 177). This time the search was extended to the declared sites of the secret destruction. As a result of this two-month long effort, an additional four complete engines were found that had not previously been presented by Iraq to the Commission. This discovery proved that the Commission's assessment at the December meetings that not all engines had been accounted for and presented for verification, was correct.

29. The Commission continued its inspections to verify Iraq's full, final and complete disclosure submitted in July 1996. Pursuant to the joint programme of action of 22 June 1996, this effort focused on material balances regarding missiles and related materials, as well as specialized tools used in Iraq's production of prohibited missiles. In order to verify the material balance, the Commission sought to establish the "chain of custody" that would account for relevant items in the period of time after the adoption of resolution 687 (1991) until the time when Iraq declared that the items had been destroyed. Owing to the lack of documentation, the Commission has to continue to resort to interviews of the personnel involved in relevant activities.

30. During the reporting period, the Commission conducted two full, final and complete disclosure verification missions. The first one, UNSCOM 168 in November 1996, attempted to trace the movement and storage of proscribed items primarily related to Project 1728, the main Iraqi effort to produce proscribed missile engines. Through interviews and site inspections, including excavation at the location of a hide site, the Commission was able to obtain some evidence that corroborated portions of Iraq's declarations on the secret destruction. However, many inconsistencies were revealed between information in the full, final and complete disclosure and the facts available to the Commission. Additional efforts will be required by Iraq to account fully for proscribed items and equipment related to Project 1728. The team also pointed to inconsistencies in the material balance of proscribed components related to the Karama project, the main activity in Iraq to produce guidance and control systems for proscribed missiles. The UNSCOM 168 team undertook preparatory work for the December political level talks which included interviews of personnel involved in the storage, movement and destruction, and in accounting of proscribed missile assets declared to have been secretly destroyed in 1991.

31. In January 1997, the UNSCOM 176 team was sent to receive a number of explanations that had previously been requested, to discuss them with Iraqi counterparts and to conduct interviews to verify relevant parts of the full, final and complete disclosure. However, it turned out that most of the explanations sought were not ready although some of them had been requested well in advance. Despite repeated requests since September 1996, Iraq failed to provide access to personnel with knowledge of certain events relevant to the secret destruction. The situation deteriorated to the point where the team had to suspend its activities. Although later on Iraq provided or offered to provide the documents requested, the UNSCOM 176 effort was essentially wasted and valuable time was lost in verification of Iraq's full, final and complete disclosure.

32. In verifying Iraq's declarations, the Commission has spent considerable effort in mapping out Iraq's proscribed missile programme. In 1994, in a spirit of cooperation, the Commission even undertook to write a history of Iraq's proscribed missile programme so that Iraq could authenticate it as an official description of relevant Iraqi activities. By mid-1995 this project was close to its completion with many parts certified by Iraq as accurate. However, shortly thereafter, it became obvious that, in many important aspects, Iraq had been intentionally misleading the Commission by providing incorrect information as cover for important progress achieved in its proscribed missile programmes. This required the Commission to resume verification of those areas.

33. During the reporting period, the Commission made progress in the verification of the new full, final and complete disclosure of July 1996. However, in a number of cases, the Commission found that it was incorrect and incomplete. A new impetus was given through the December round of political level talks between the Deputy Prime Minister and the Chairman with Iraq's undertaking to address thoroughly the Commission's concerns. After December, Iraq submitted a number of new papers related to the issues discussed at the meeting. These are currently under study.

Monitoring activities

34. During the reporting period, the missile monitoring teams have conducted over 250 inspections and have actively participated with other resident teams in joint inspections of sites of inter-disciplinary interest. In addition, the Commission has conducted two special monitoring inspections related to non-proscribed missile systems, i.e., those with a range of less than 150 kilometres. In November and December 1996, the monitoring teams conducted the second and third of the annual checks of Iraq's non-proscribed operational missile systems. The missions ascertained that these missiles had not been modified for prohibited purposes. In March 1997, UNSCOM 181 carried out inspections of a selected group of military units in order to verify that the relevant sites were not involved in training, maintenance or operation of prohibited missile systems. No evidence of proscribed activities was found.

35. Since the adoption of resolution 687 (1991), Iraq has continued undeclared missile programmes. The Commission has uncovered specific cases of proscribed missile activities. Iraq has also been engaged in covert acquisition of missile components and technologies. Such Iraqi activities remain under close scrutiny and are being investigated both through ongoing monitoring and special inspections.

36. In October 1996, the UNSCOM 164 team investigated Iraq's missile-related procurement efforts since 1991. In late 1995, Iraq acknowledged some of those procurement activities, including actual deliveries, and provided information on orders placed through middlemen and front companies for the acquisition of proscribed or dual-use equipment, technologies and materials for its missile facilities. Through inspection of a number of industrial sites and trading companies, the UNSCOM 164 team gathered information related to these procurement efforts that allowed it to close some gaps in the Commission's understanding of Iraq's activities. Some issues of concern still remain, including an undeclared attempt to obtain foreign assistance in the area of a proscribed key missile engine component. The Commission intends to continue to conduct inspections and investigations related to recent or current procurement activities by Iraq as part of its ongoing monitoring.

37. The Commission continues to send to Iraq specialized teams to perform technical analysis of Iraq's current programmes to develop and manufacture non-proscribed missile systems. In January 1997, UNSCOM 166 reviewed progress activities related to the Samoud missile, which has a declared range of less than 150 kilometres and is therefore not prohibited under resolution 687 (1991). Through this review, in addition to monitoring activities by the resident missile team, relevant Iraqi declarations on the project were corroborated.

38. The UNSCOM 166 team discovered evidence of Iraq's effort related to a space launch vehicle after the adoption of resolution 687 (1991). The team obtained conclusive proof of an attempt in 1992 to simulate a space launch vehicle based on a proscribed missile system. Evidence was also obtained of a study in 1994 and 1995 of a space launch vehicle based on a non-proscribed missile system. Space launch vehicles are prohibited to Iraq.

39. The UNSCOM 166 team made several requests to Iraq to provide computer software and documents related to the issues under the team's investigation. In a number of cases, Iraq refused to provide access to the information requested. Although most of the documents were provided later on, the lack of cooperation on the part of Iraq during the inspection significantly hindered the team's ability to accomplish fully its tasks.

40. Since the Commission's monitoring system in the missile area became operational in August 1994, Iraq's non-proscribed activities in the missile area have moved closer to a production phase. This requires modifications to the current monitoring practices in order to enable the Commission to accomplish effectively its tasks. As the export-import mechanism has become fully operational, a closer coordination with the export-import monitoring activities will be required. A review of the monitoring regime and practices is currently under way. The Commission is addressing a number of specific issues in order to maintain the effectiveness of its monitoring system and meet new challenges.

41. Overall, the reporting period resulted in substantial progress in the missile area. However, it fell short of the Commission's expectations due to Iraq's non-cooperation and its reluctance to provide in an open and transparent manner declarations required of it, including documentary support. The Commission will continue its intensive verification efforts pursuant to the priorities and methods established in the joint programme of action of 22 June 1996.

IV. NUCLEAR ACTIVITIES

42. The Special Commission continues to provide logistical and other operational support for IAEA operations in Iraq, to designate sites for inspection and to receive and advise on requests from Iraq to move or use any material or equipment related to Iraq's nuclear weapons programme or other nuclear activities. The Commission's nuclear experts also participate in the nuclear aspects of the export/import monitoring mechanism in the analysis of the content of notification forms in coordination and cooperation with IAEA.

43. Commission experts have participated in some ongoing monitoring and verification activities of the IAEA in December 1996 and March 1997. Multi-disciplinary inspections have been conducted and additional missions of this sort are planned in the coming year. Closer integration between the Commission's and the IAEA's systems continues to be implemented. Regular meetings are held in both Vienna and New York to exchange information and to plan cross-disciplinary inspections. The Commission's experts continue to participate in the IAEA negotiations with the Russian Federation regarding the sale of the nuclear fuel removed from Iraq and reprocessed in the Russian Federation.

V. CONCEALMENT INVESTIGATIONS

44. In its October 1996 report, the Commission stated that "there was an organized mechanism of concealment used by Iraq to deny access to proscribed documents and material retained since the adoption of resolution 687 (1991)" and expressed its intention to pursue all aspects of its investigation of concealment activities.

45. In November 1996, the UNSCOM 158 team carried out a geophysical mapping survey of a villa where proscribed missile equipment, tools and materials had been buried. This villa was owned by a member of the Special Republican Guard who, in the summer of 1991, together with additional Special Republic Guard officers, received several truckloads of proscribed material in order to keep it from the Commission. Although, the Iraqi authorities had admitted that such activity had occurred, their answers to the Commission's questions concerning the scope of the effort, its timing, and the command structures were evasive. The Commission was able to determine precisely where the items had been buried, and subsequent excavation uncovered some remnants of the material.

46. Undeclared sites inspected by the UNSCOM 158 team consisted of Special Republican Guard facilities and a residence used in the past for procurement activities. No proscribed material was found at any of the sites. In the case of the inspection of one of the Special Republican Guard sites, the inspectors were denied access for several hours. The UNSCOM aerial inspection team was likewise denied overflight of the facility. These actions constituted a breach of Iraq's obligations under the relevant resolutions of the Council.

47. In December 1996, the Commission continued its investigation by examining, jointly with IAEA, the concealment activities between January and July 1991, involving the Engineering Design Centre - Iraq's centrifuge and gaseous diffusion enrichment projects. The results of this mission are still being assessed, although patterns of Iraq's behaviour in this area appear to have mirrored known concealment activities in other areas. In March 1997, IAEA excavated three declared equipment burial sites south of Lake Tharthar and unearthed hundreds of items relating to Engineering Design Centre operations. Although many of these items are consistent with Iraq's declaration, a previously undeclared and highly expensive cache of unused specialized, corrosion resistant valves was found. The excavation exercise was facilitated by the utilization of geophysical sensors provided through UNSCOM.

48. In November 1996 and March 1997, UNSCOM 158 and UNSCOM 179 conducted a series of underwater surveys in Iraq using a combination of sonar and electromagnetic sensors.

49. In March 1997, the Commission undertook a major investigation of the concealment mechanism. An inspection team, UNSCOM 182, visited 17 sites looking for possible connections between concealment activities and elements of the Special Republican Guard. Other sites visited included those belonging to Iraq's Intelligence Service (Mukhabarat), the Special Security Organization, the General Security Service and the Military Intelligence. No proscribed material or activity was found. The Commission welcomes Iraq's cooperation in providing access to the sensitive sites for inspection.

50. Through political level meetings and inspection activities, the Commission has continued to ask for Iraq's response to its questions related to concealment activities. The October 1996 report mentioned such issues as movement of "Scud-like" objects in the vicinity of a site designated for inspection by UNSCOM 155 in July 1996, concealment of documents at the "chicken farm", and diversion activities related to Iraq's major proscribed missile projects. Iraq's failure to provide its response delays the verification process.

51. The investigation of the concealment mechanism in Iraq is an ongoing process. The joint programme of action of 22 June 1996 singled out this area as a priority and fundamental issue for verification. No final accounting of proscribed materials and activities can be achieved without a complete understanding of the procedures and structure of the concealment activities in Iraq. Ongoing monitoring cannot be viewed in total confidence without the Commission being sure that the concealment mechanism has been dismantled completely and is no longer functioning. The Commission will continue its concealment investigations as an integral part of its overall activities.

VI. OTHER ISSUES

A. Baghdad Monitoring and Verification Centre and operations

52. The working conditions at the Baghdad Centre continue to improve with the addition of six rooms which will relieve overcrowding and provide more secure work space. The Commission is particularly grateful to the Government of Switzerland, which has repeatedly provided skilled craftsmen to renovate the Centre.

53. The Chilean Air Force has supported the Commission since August 1996 through the provision of a detachment of five Bell UH-1H helicopters and 41 personnel. They have conducted over 1,000 hours of accident-free aerial support in Iraq. The new type of helicopter and their number have added greater flexibility to monitoring operations. Multiple missions each day are now possible. The Chilean helicopter unit has performed resolutely and professionally in the face of escalating Iraqi efforts to harass, intimidate and at times threaten the Commission's aerial operations. The Government of Chile and its personnel working in Iraq are to be commended for their important contribution. The Chairman visited Chile in March 1997 and held discussions with senior officials on the operations of the Chilean helicopter unit provided to the Commission and IAEA.

54. The Baghdad-based aerial inspection team has adapted well to the introduction of the new type of helicopters and the imagery produced by the team has been of consistent quality. The team continues to provide support to the monitoring teams and to non-resident inspection teams. Some 800 missions have been completed to date. As mentioned earlier in this report, the team has been subjected to a number of efforts by Iraq to restrict its activities.

55. The imagery derived from the Commission's high altitude surveillance aircraft (U-2) continues to be an important element in the Commission's and IAEA

inspection activities. Some 350 missions had been flown up to the end of March 1997.

B. Finance

56. The financial situation facing the Commission has been precarious, particularly during 1996. In a letter of 5 November 1996 to the President of the Security Council, the Chairman pointed out that, as there had been no new cash contributions to the Commission in the previous six months, funds were running out. During a visit to the member States of the Gulf Cooperation Council in November 1996, the Chairman received firm assurances of strong political support for the Commission's activities as well as an undertaking to provide financial support to the Commission. Two Gulf Cooperation Council States provided voluntary contributions to the Commission during January 1997 totalling $5 million. The Commission is particularly grateful to those Governments for their continued support.

57. The Commission is now receiving funds for the implementation of resolution 986 (1995). This should cover the operational costs of the Commission up until the middle of 1997. The voluntary contributions noted in the preceding paragraph will be drawn upon should funding from resolution 986 (1995) cease.

C. Material support

58. The Commission remains grateful to all States that have continued to provide the Commission with material support in the conduct of its operations. A notable contribution is the continued generous provision of premises by Bahrain for the Commission's field offices. The Secretary-General and the Director General of IAEA have recently written to the Minister for Foreign Affairs of Bahrain proposing a further six-month extension of the field office agreement until the end of September 1997, as they deem Bahrain's contribution to be a vital element in the operations of the Commission and IAEA under the Security Council resolutions.

D. Office space

59. Office space at the Commission's headquarters in New York remains a serious problem. However, additional office space is now being made available on the 30th floor, adjacent to the Commission's existing offices on that floor. This should provide some relief of the current concerns over space, but does not solve all of the Commission's urgent needs.

Appendix II

Inspection schedule in the reporting period, October 1996-April 1997

(in-country dates)

Nuclear

1 October-22 October 1996	NMG 96-14
22 October-11 November 1996	NMG 96-15
11 November-2 December 1996	NMG 96-16
2 December-19 December 1996	NMG 96-17
19 December-6 January 1997	NMG 96-18
6 January-30 January 1997	NMG 97-01
30 January-20 February 1997	NMG 97-02
20 February-13 March 1997	NMG 97-03
13 March-3 April 1997	NMG 97-04

Chemical

29 November-11 December 1996	CW 27/UNSCOM 135
2 December-6 December 1996	CW 33/UNSCOM 170
18 December-15 January 1997	CG 8
10 January-15 January 1997	CW 34/UNSCOM 171
27 March-31 March 1997	CW 35/UNSCOM 172
16 January-present	CG 9

Biological

29 September-7 January 1997	BG 7
14 October-23 October 1996	BW 41/UNSCOM 159
11 November-18 November 1996	BW 43/UNSCOM 163
2 December-8 December 1996	BW 42/UNSCOM 160
12 December-17 December 1996	BW 44/UNSCOM 167
7 January-1 April 1997	BG 8
9 January-20 January 1997	BW 45/UNSCOM 169
12 February-19 February 1997	BW 46/UNSCOM 173
24 February-3 March 1997	BW 47/UNSCOM 174
2 April-present	BG 9

Ballistic missiles

9 August-22 November 1996	MG 10
21 October-28 October 1996	BM 44/UNSCOM 164
4 November-16 November 1996	BM 46/UNSCOM 168
6 November-16 November 1996	BM 45/UNSCOM 158
11 November-16 November 1996	MG 10B
22 November-25 February 1997	MG 11
18 November-30 November 1996	BM 38D/UNSCOM 141D
27 November-2 December 1996	MG 11A

11 December-14 December 1996	Special Mission 4
6 January-25 January 1997	BM 47/UNSCOM 177
10 January-20 January 1997	BM 48/UNSCOM 166
20 January-27 January 1997	BM 49/UNSCOM 176
6 February-26 February 1997	BM 47A/UNSCOM 177A
26 February-present	MG 12
2 March-13 March 1997	BM 51/UNSCOM 179
4 March-13 March 1997	BM 52/UNSCOM 181
7 March-17 March 1997	BM 53/UNSCOM 182

Export/import missions

3 August-20 November 1996	EG-2
14 November-25 November 1996	EXIM-3/UNSCOM 165
21 November-8 January 1996	EG-3
9 January-present	EG-4

Special missions

19 October-21 October 1996
21 November-25 November 1996
8 December-11 December 1996
20 February-23 February 1997
3 April-5 April 1997

A complete list of the Commission's inspections prior to the period covered by the present report is available in the Commission's October 1996 report (S/1996/848).